

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Scott P. Johnson

SUBJECT: SEE BELOW

DATE: May 11, 2006

Approved

Deanna Jafna

Date

5/12/06

SUBJECT: REPORT ON BIDS FOR DESKTOP COMPUTERS

REASON FOR SUPPLEMENTAL MEMORANDUM

To report on a bid protest received from Charles Jones, representing Jones Enterprises/CBX Joint Venture. This protest was received after Staff's submission of the original Council memorandum.

ANALYSIS

On May 5, 2006, the City's Chief Purchasing Officer received a letter from Jones Enterprises on behalf of Jones Enterprises/CBX Technologies (JE/CBX) protesting Finance's decision of designating Jones Enterprises/CBX Technologies' bid non-responsive and Finance's application of the small business preference to the bid submitted.

The bid received from JE/CBX was determined to be non-responsive because the flat screen monitor bid by JE/CBX did not meet a required viewing angle specification. The Information Technology Department provided the specifications based on feedback received from users of the monitors. Therefore, the viewing angle specification reflects a business need for departments throughout the City. Section 2.9 of the bid provided an opportunity for bidders to object to any specifications by March 23, 2006, which was prior to the submission deadline for bids. The City did not receive any objection regarding the viewing angle specification. The City is prohibited from changing any specifications after any bids are received. Therefore, the City cannot accept JE/CBX's bid.

In the protest letter received from JE/CBX, the joint venture protested the City's application of the small business preference as it relates to JE/CBX bid. Since JE/CBX bid is non-responsive, the application of the small business preference is not relevant for this bid. Nevertheless, if the bid were deemed responsive, based on the interpretation by the Finance Department, in consultation with the City Attorney's Office, of the City's Small Business Preference ordinance, application of the small business preference was not warranted. The bid was submitted and signed on the required Bid Certification form as a Joint Venture (JE/CBX Joint Venture) but the request for Small Business preference was submitted for Jones Enterprises only. If the request

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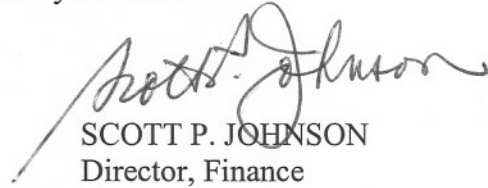
Subject: Supplemental Information for Desktop Bid

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for Small Business preference had been submitted and signed by the Joint Venture and the total employment of the JV had been 35 or fewer employees, then the preference would have been granted. This position is consistent with the City's Local and Small Business Ordinance.

COORDINATION

This memorandum was coordinated with the City Attorney's Office.


SCOTT P. JOHNSON
Director, Finance

For questions, please contact Walter C. Rossmann, Chief Purchasing Officer at (408) 535-7051.

